

Return Address:  
Farm Credit Services - Burlington  
265 E. George Hopper Road  
Burlington, WA 98233



201505180166

Skagit County Auditor

\$77.00

5/18/2015 Page

1 of

6 3:38PM

**Document 1 Title:** Subordination Agreement

Reference Nos: \_\_\_\_\_

Additional Reference #s on page: \_\_\_\_\_

**GUARDIAN NORTHWEST TITLE CO.**

104165-3

**Grantors:**

Northwest Farm Credit Services, PCA

MIT# 201008040019

Additional Grantors on page: \_\_\_\_\_

**Grantees:**

Northwest Farm Credit Services, FLCA

MIT# 201505180165

Additional Grantees on page: \_\_\_\_\_

**Document 2 Title:** \_\_\_\_\_

Reference Nos: \_\_\_\_\_

Additional Reference #s on page: \_\_\_\_\_

**Grantors:**

**Grantees:**

Additional Grantors on page: \_\_\_\_\_

Additional Grantees on page: \_\_\_\_\_

**Abbreviated Legal Description:**

Section 2, Township 34 North, Range 4 East; Ptn. South ½ SW; and  
Section 3, Township 34 North, Range 4 East; Ptn. NESE, as to Parcels A and B  
Section 2, Township 34 North, Range 4 East; Ptn. SWNE; SENE; and NESE  
Section 1, Township 34 North, Range 4 East; Ptn. SWNE and NWSW, as to Parcels C, D, E and F

Additional legal is on page: 2

**Assessor's Property Tax Parcel/Account Numbers:**

340402-3-004-0004 (P23435), 340403-4-006-0009 (P23477), 340402-1-002-0000 (P23430) and 340401-3-009-0100 (P109409)

Subordination Agreement  
(DeVries Dairy Limited Partnership/Note No. 6222596)

## SUBORDINATION AGREEMENT

This Subordination Agreement (this "Agreement") is made effective May 13, 2015, by and between **NORTHWEST FARM CREDIT SERVICES, PCA** (hereinafter referred to as "PCA") and **NORTHWEST FARM CREDIT SERVICES, FLCA** (hereinafter referred to as "FLCA").

**WHEREAS**, PCA is the holder of certain loan(s), under the terms of certain note(s) and loan documents, as amended (the "PCA Loan"), secured, all or in part, by that certain Mortgage, dated August 6, 2010, recorded on August 9, 2010, as Instrument No(s). 201008090069, records of Skagit County, State of Washington, as modified, amended or supplemented;

**WHEREAS**, FLCA intends to extend or amend certain loan(s), under the terms of certain note(s) and loan documents, as amended (the "FLCA Loan"), secured, all or in part, by that certain Mortgage, dated May 13, 2015, recorded on 5-18-2015, as Instrument No(s). 201505180165, records of Skagit County, State of Washington, as modified, amended or supplemented;

**WHEREAS**, The PCA Loan and the FLCA Loan are and will be secured by, in relevant part, all or a portion of the property described on Exhibit A attached hereto (the "Property").

**NOW, THEREFORE**, in consideration of FLCA making or amending the FLCA Loan, PCA and FLCA agree as follows:

PCA's interest in the Property under the PCA Loan is subordinate to FLCA's interest in the Property under the FLCA Loan, including all interest, advances or charges made or accruing thereunder, if any.

In the event of default in the obligations under the FLCA Loan prior to satisfaction of the PCA Loan, the proceeds from any foreclosure sale, less expenses of the sale, shall be distributed first to the FLCA Loan, with the balance of the proceeds, if any, distributed to the PCA Loan.

This Agreement does not affect PCA's or FLCA's right to enforce any loan documents, for either the PCA Loan or the FLCA Loan in accordance with their terms and this Agreement and does not alter the relative priority of liens on any collateral other than the Property.

This Agreement shall be for the benefit of and binding upon the successors and assigns of all parties to this Agreement.

Dated: May 7, 2015

**NORTHWEST FARM CREDIT SERVICES, PCA**

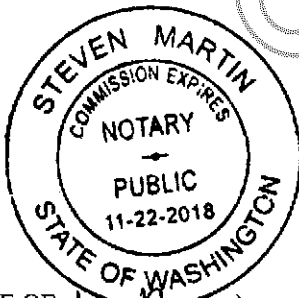
By: Eri Lom  
Authorized Agent

NORTHWEST FARM CREDIT SERVICES, FLCA

By: Eric Fohn  
Authorized Agent

STATE OF Washington )  
County of Skogit ) ss.

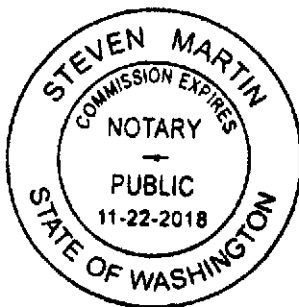
On this 14<sup>th</sup> day of May, 2015, before me personally appeared Eric Fohn, known to me to be an authorized agent of Northwest Farm Credit Services, PCA, that executed the within instrument, and acknowledged to me that such corporation executed the same as its free act and deed; and on oath stated that he/she was authorized to execute said instrument.



Steven Martin  
Printed Name Steven Martin  
Notary Public for the State of Washington  
Residing at Oak Harbor, WA  
My commission expires 11-22-2018

STATE OF WA )  
County of Skagit ) ss.

On this 14<sup>th</sup> day of May, 2015, before me personally appeared Eric Fohn, known to me to be an authorized agent of Northwest Farm Credit Services, FLCA, that executed the within instrument, and acknowledged to me that such corporation executed the same as its free act and deed; and on oath stated that he/she was authorized to execute said instrument.



Steven Martin  
Printed Name Steven Martin  
Notary Public for the State of Washington  
Residing at Oak Harbor, WA  
My commission expires 11-22-2018

**EXHIBIT A TO  
SUBORDINATION AGREEMENT**

**Parcel A:**

That portion of the following described tract lying Westerly of Mud Lake Road:

The South half of the Southwest quarter of Section 2, Township 34 North, Range 4 East of W.M.

**Parcel B:**

That portion of the Southeast quarter of the Southeast quarter of Section 3, Township 34 North, Range 4 East of W.M., lying Northeasterly of Nookachamps Creek.

**PARCEL C:**

The Southwest Quarter of the Northeast Quarter and the West Half of the Southeast Quarter of the Northeast Quarter, all in Section 2, Township 34 North, Range 4 East of the Willamette Meridian;

EXCEPT county road rights-of-way;

TOGETHER WITH that portion of the North Half of the Southeast Quarter of Section 2, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point 13.96 chains West of the Northeast corner of said Southeast Quarter;  
Thence South 1°42' West, 15.77 chains to the North line of the County Road;  
Thence Southerly and Westerly along the North line of County Road to its intersection with the South line of the Northwest Quarter of the Southeast Quarter of said Section 2;  
Thence West along the South line of said Northwest Quarter of the Southeast Quarter to the West line of said subdivision;  
Thence North along the West line of said subdivision to the Northwest corner thereof;  
Thence East along the North line of the North Half of the Southeast Quarter of said Section 2, to the point of beginning;

EXCEPT that portion thereof, if any, lying East of a line running South from a point on the North line of said Southeast Quarter which is 924 feet West of the Northeast corner of said Southeast Quarter;

ALSO EXCEPT that portion thereof conveyed to Skagit County by deed recorded under Auditor's File No. 719061, records of Skagit County, Washington;

TOGETHER WITH all that portion of the Southwest Quarter of the Southeast Quarter of Section 2, Township 34 North, Range 4 East of the Willamette Meridian, lying Northerly of Noah Stevens County Road.

**PARCEL D:**

The East Half of the Southeast Quarter of the Northeast Quarter of Section 2, Township 34 North, Range 4 East of the Willamette Meridian;

EXCEPT the as built and existing county road commonly known as Francis Road running along the North line thereof.

PARCEL E:

That portion of the Northeast Quarter of the Southeast Quarter of Section 2, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at the Northeast corner of said subdivision;

Thence West 924 feet;

Thence South 947 feet, more or less, to the Stevens County Road;

Thence Southeasterly along said road 948 feet, more or less, to the section line;

Thence North along said section line to the point of beginning;

EXCEPT that portion described as follows:

Beginning at the East Quarter corner of said Section 2;

Thence South  $00^{\circ}35'48''$  West a distance of 292.62 feet to the true point of beginning;

Thence South  $89^{\circ}45'09''$  West, a distance of 186.18 feet;

Thence South  $22^{\circ}48'56''$  West, a distance of 111.31 feet;

Thence South  $10^{\circ}21'47''$  East, a distance of 357.08 feet;

Thence South  $75^{\circ}13'18''$  West, a distance of 114.69 feet;

Thence South  $51^{\circ}30'01''$  West, a distance of 89.22 feet;

Thence South  $84^{\circ}24'31''$  West, a distance of 211.35 feet;

Thence North  $77^{\circ}49'36''$  West, a distance of 76.76 feet;

Thence North  $44^{\circ}25'37''$  West, a distance of 196.75 feet;

Thence South  $85^{\circ}48'26''$  West, a distance of 159.95 feet to the West line of the East 924 feet of said Northeast Quarter of the Southeast Quarter of said Section 2;

Thence South  $00^{\circ}35'48''$  West, a distance of 333.99 feet along the West line of the East 924 feet of said subdivision to the North right-of-way line of Mud Lake Road;

Thence along the North right-of-way line of Mud Lake Road for the following courses:

North  $58^{\circ}31'24''$  East, a distance of 73.18 feet;

Thence North  $64^{\circ}18'43''$  East, a distance of 78.93 feet;

Thence North  $79^{\circ}16'04''$  East, a distance of 85.97 feet;

Thence South  $82^{\circ}04'00''$  East, a distance of 106.63 feet;

Thence South  $74^{\circ}09'08''$  East, a distance of 143.63 feet;

Thence South  $74^{\circ}40'32''$  East, a distance of 85.60 feet;

Thence South  $75^{\circ}53'37''$  East, a distance of 95.86 feet;

Thence South  $78^{\circ}30'41''$  East, a distance of 91.31 feet;

Thence South  $80^{\circ}34'53''$  East, a distance of 73.86 feet;

Thence South  $81^{\circ}06'41''$  East, a distance of 125.36 feet;

Thence North  $00^{\circ}35'48''$  East, a distance of 810.21 feet along the East line of said Section 2 to the true point of beginning.

PARCEL F:

That portion of the West Half of the Southwest Quarter of the Northwest Quarter and that portion of the North Half of the Northwest Quarter of the Southwest Quarter of Section 1, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at the Northeast corner of the West Half of the Southwest Quarter of the Northwest Quarter of Section 1;

Thence South  $89^{\circ}59'13''$  West, along the North line of said subdivision, a distance of 377.35 feet;

Thence South  $00^{\circ}14'47''$  West, a distance of 3.42 feet to the South right-of-way of Francis Road;

Thence South  $01^{\circ}31'22''$  West, a distance of 564.85 feet;

Thence South  $08^{\circ}06'10''$  East, a distance of 168.56 feet;

Thence South 00°02'24" West, a distance of 215.57 feet;  
Thence North 71°28'13" West, a distance of 347.21 feet, more or less, to the West line of said Section 1  
and the true point of beginning;  
Thence South 18°36'08" East, a distance of 836.60 feet;  
Thence South 89°45'09" West, a distance of 275.14 feet to the West line of said Section 1;  
Thence Northerly along the West line of said Section 1 to the true point of beginning.

Tax Account Nos.: 340402-3-004-0004 (P23435), 340403-4-006-0009 (P23477), 340402-1-002-0000 (P23430)  
and 340401-3-009-0100 (P109409)